

UNITED STATES DISTRICT COURT

DISTRICT OF ALASKA

IN THE MATTER OF THE SEIZURE OF)
CONTENTS OF ALASKA USA) Case No. 3:19-mj-00606-MMS
FEDERAL CREDIT UNION ACCOUNT)
1977951_70 UP TO THE AMOUNT OF) Filed Under Seal
\$852,898.25)

**AFFIDAVIT IN SUPPORT OF
AN APPLICATION FOR SEIZURE WARRANT**

I, Tyler Vose, being first duly sworn, hereby depose and state as follows:

INTRODUCTION AND AGENT BACKGROUND

1. I am an investigative or law enforcement officer of the United States, within the meaning of Title 18 U.S.C. § 2510(7) and am empowered by law to conduct investigations of and to make arrests for offenses enumerated in Title 18 U.S.C. § 2516. I have been a Special Agent with the Federal Bureau of Investigation (FBI) since May 2011. Since that time I have been assigned investigative responsibilities in the areas of public corruption in the Detroit and San Juan Field Offices, Indian country matters on the Pine Ridge Indian Reservation in South Dakota, and public corruption violations in the Anchorage Field Office, where I am currently assigned. The Anchorage Field Office is located within the District of Alaska. Prior to being an FBI Special Agent, I served as a Human Intelligence Collector with the United States Army 5 years and 7 months. In addition to traditional combat duties, I conducted military source operations and interrogations on suspected members of Al-Qaida and other radical Islamic terrorist/insurgent groups in Iraq.

2. The information set forth below is based upon my knowledge of an investigation conducted by the FBI and other law enforcement agents and officers. I have not included each and every fact obtained pursuant to this investigation, and instead have only included facts sufficient to establish probable cause for the seizure and civil and/or criminal forfeiture of certain property described herein.

OVERVIEW OF LEGAL AUTHORITY FOR ISSUANCE OF CIVIL AND CRIMINAL SEIZURE WARRANTS

3. This application is for the issuance of warrants to seize property for both civil and criminal forfeiture.

4. The authority for issuance of civil forfeiture seizure warrants is found at 18 U.S.C. § 981.

5. The authority for issuance of criminal forfeiture seizure warrants is found at 18 U.S.C. § 982, which incorporates by reference the provisions of 21 U.S.C. § 853(e) and (f). Section 853(f) allows for the issuance of seizure warrant, when an "...order under subsection (e) may not be sufficient to assure the availability of the property for forfeiture,..."

6. Property seized initially for civil forfeiture may later be the subject of criminal forfeiture proceedings. See 28 U.S.C. § 2461(c), triggering the applicability of 21 U.S.C. § 853(e) and (f).

PROPERTY TO BE SEIZED

7. I make this affidavit to obtain a seizure warrant for funds in the following bank account:

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- Contents of Alaska USA Federal Credit Union account ending in 7951_70 in the name of Eco Edge Armoring, LLC (“AKUSA 7951_70”), up to the amount of \$852,898.25

as fungible property found in the same place or account as the property involved in the offense described herein and subject to forfeiture to the United States under 18 U.S.C. § 984.

LEGAL AUTHORITY

8. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe that violations of 18 U.S.C. § 1343 – Wire Fraud, 18 U.S.C. § 1956 – Laundering of Monetary Instruments, 18 U.S.C. § 1957 – Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity, and 18 U.S.C. § 371 – Conspiracy to commit Wire Fraud and Money Laundering (hereinafter the “SUBJECT OFFENSES”) have been committed, are being committed, and will be committed by FORREST NICHOLAS WRIGHT (hereinafter “FORREST”), AMANDA DIANE WRIGHT (hereinafter “AMANDA”), DAVID WAYNE BENEFIELD (hereinafter “BENEFIELD”), and NATHAN KEAYS (hereinafter “KEAYS”).

9. Pursuant to 18 U.S.C. § 981(a)(1)(A) (Civil Forfeiture), the following property is subject to forfeiture to the United States;

Any property, real or personal, involved in a transaction or attempted transaction in violation of 1956, 1957 or 1960 of this title, or and property traceable to such property.

(emphasis added)



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10. A transaction or attempted transaction in violation of Title 18 U.S.C. § 1957 (Engaging in monetary transactions in property derived from specified unlawful activity), occurs when;

(a) Whoever, in any of the circumstances set forth in subsection (d), knowingly engages or attempts to engage in a monetary transaction in criminally derived property of a value greater than \$10,000 and is derived from specified unlawful activity.

11. Pursuant to Title 18 U.S.C. § 981(a)(1), the following property is subject to forfeiture to the United States;

(C) Any property, real or personal, which constitutes or is derived from proceeds traceable to a violation of any offense constituting “specified unlawful activity” (as defined in section 1956(c)(7) of this title), or a conspiracy to commit such offense.

12. 18 U.S.C. § 1956(c)(7), states the term “specified unlawful activity” means—
Any act or activity constituting an offense listed in section 1961(1)(racketeering) of this title.

13. 18 U.S.C. § 1961 defines “racketeering activity” to include:

“section 1341 (relating to mail fraud) and section 1343 (relating to wire fraud).

14. 18 U.S.C. § 984 - Civil forfeiture of fungible property, states, in part:

(a)(1) In any forfeiture action in rem in which the subject property is cash, monetary instruments in bearer form, funds deposited in an account in a financial institution (as defined in section 20 of this title), or precious metals—

(A) it shall not be necessary for the Government to identify the specific property involved in the offense that is the basis for the forfeiture; and

(B) it shall not be a defense that the property involved in such an offense has been removed and replaced by identical property.

(2) Except as provided in subsection (b), any identical property found in the same place or account as the property involved in the offense that is the basis for the forfeiture shall be subject to forfeiture under this section.



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(b) No action pursuant to this section to forfeit property not traceable directly to the offense that is the basis for the forfeiture may be commenced more than 1 year from the date of the offense.

INSUFFICIENCY OF PROTECTIVE ORDER

15. A seizure warrant 21 U.S.C. § 853(f) is sought because a protective order under 21 U.S.C. § 853(e) will not be sufficient to assure the availability of the fungible property described herein for forfeiture. The assets listed above, funds in a bank account, are easily concealed, transferred, wasted, converted, and liquidated. An additional benefit of a seizure warrant is that a protective order only binds particular individuals or entities. Assets can be concealed or diverted in concert with others, knowingly or innocently, who are not bound by the order.

DEFINITIONS AND TERMINOLOGY

16. Due to the industry specific nature of the allegations contained in this affidavit, it is important to understand the terminology and provide definitions of relevant terms, both industry specific and general financial terms that may be used below.

- a. 100% Pad – An 8-10 acre materials staging area for exploration operations. This ConocoPhillips Company property is located in Deadhorse, AK.
- b. Actian – Is a third party e-invoicing company contracted with ConocoPhillips Company to intake invoices and supporting documents electronically from ConocoPhillips Company vendors. Vendors sign up



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for an account with Actian, and have to login to Actian using the internet to be able to submit invoices and supporting documentation for payment.

- c. Alaska Railroad Yard – A storage and materials transfer facility located in Fairbanks where oil companies stage equipment to be moved northward for drilling operations. The Alaska Railroad Corporation is a public corporation authorized to own and operate the Alaska Railroad.
- d. Alpine – A North Slope drilling location on the Colville Delta. The only way to get there is over the ice-road or by airplane.
- e. ASRC Energy Services (AES) – Is a subsidiary of Arctic Slope Regional Corporation, that provides contracting work to ConocoPhillips Company.
- f. Bill of Lading (BOL) – A detailed list of materials shipped or delivered. This is in the form of a receipt. With respect to ConocoPhillips Company, the acquisition of the Bill of Lading was the third step in the material acquisition process.
- g. Casing – A hollow steel pipe used to line the inside of a drilled hole and provides protection for groundwater and aquifers during an oil drilling operation.

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- h. ConocoPhillips Company (COP) – Oil company headquartered in Houston, Texas, with financial matters handled in Bartlesville, Oklahoma.
- i. ConocoPhillips Company-Alaska (COPA) – ConocoPhillips Company branch operating in Alaska.
- j. Electronic Funds Transfer (EFT) – Synonymous with ePayments, EFT is a broad term that includes many types of electronic payments such as Automated Clearing House (ACH) transfers, wire transfers, direct deposits, eChecks, personal computer banking, among others. In short, an EFT is an electronic transfer of money from one bank account to another.
- k. Extended Reach Drilling (ERD) – Directional drilling of long horizontal wells for the purpose of reaching a larger area from one surface drilling location, and to maximize its productivity while maintaining a small surface footprint.
- l. Freight on Board (FOB) – A term often used when discussing the shipment of materials both domestically and internationally.
- m. Goods Receipt – Generated in ConocoPhillips Company's SAP system once someone has physically verified that the ordered material has arrived at its intended location. The goods receipt is the fourth step in the material acquisition process.

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- n. Health, Safety and Environment (HSE) – Refers to a branch of a company that is responsible for the observance and protection of occupational health and safety rules and environmental protection.
- o. Invoice – With respect to ConocoPhillips Company the invoicing is the fifth and final step before payment occurs in the material acquisition process. Once the goods receipt is generated in the SAP system, the vendor becomes authorized to submit an invoice to ConocoPhillips Company for payment. The invoice is a detailed list of goods sent or services provided, with a total sum due.
- p. Joint – A single piece of straight pipe.
- q. Kuparuk – Located on the North Slope near Prudhoe Bay, Kuparuk is North America's second largest oil field.
- r. Oil Country Tubular Goods (OCTG) – Is a family of seamless rolled products consisting of drill pipe, casing and tubing.
- s. Purchase Order (PO) – With respect to ConocoPhillips Company, the purchase order is the second step in the material acquisition process. It acts as a contract to order the material, and also includes a delivery point, a cost object, expected delivery time, instructions on how to invoice, and payment terms.
- t. Requisition – With respect to ConocoPhillips Company, a requisition is an order. It is the first step in the material acquisition process. The



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requisition explains what is needed, the quantity, price, and the vendor designated to provide the materials. ConocoPhillips Company has allowed some requisitioners to act as approvers of the requisition up to specific dollar amounts, for efficiency. The approval amount varies between employees.

- u. SAP System – ConocoPhillips Company’s internal time management and financial records recording system.
- v. Tubing – A length of pipe assembled to provide a conduit through which oil and/or gas will be produced from a wellbore.

GENERAL SCHEME

17. FORREST and his wife AMANDA are at the center of a large and active fraud scheme involving COPA, and two COPA vendors: DB Oilfield Support Services (hereinafter “DB Oilfield”) and Eco Edge Armoring, LLC (hereinafter “Eco Edge”). BENEFIELD is the owner of DB Oilfield. BENEFIELD is AMANDA’s father, and FORREST’s father-in-law. The owner of Eco Edge is NATHAN KEAYS, an active duty Anchorage K-9 Police Officer. Open source record searches revealed that it is highly likely that FORREST and KEAYS graduated from West Valley High School in Fairbanks, AK in 1998. Additionally, AMANDA and KEAYS’s wife, Kelly Keays seemed to have attended North Pole High School together. FORREST is a materials procurement employee at COPA,



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whose duties include requisitioning material and labor for COPA's Drilling and Wells program.

18. Since approximately April 2019, FORREST advocated and received vendor approval through his chain-of-command for both DB Oilfield and Eco Edge to provide material and labor to COPA. Once DB Oilfield was approved as a vendor, FORREST, in conjunction with BENEFIELD and AMANDA, conspired to submit false invoices and supporting documentation through Actian to COPA for material that did not exist, has never existed, and in most cases are impossible or impracticable to use in Alaska.

19. Likewise, once Eco Edge was approved as a vendor, FORREST, in conjunction with KEAYS and possibly AMANDA, conspired to submit false invoices and supporting documentation through Actian to COPA for material that did not exist, has never existed, and in most cases are impossible or impracticable to use in Alaska. Moreover, FORREST, KEAYS and possibly AMANDA conspired to submit false invoices through Actian to COPA for labor charges allegedly performed at various COPA locations across Alaska to include Alpine, 100% Pad, Kuparuk and the Alaska Railroad yard in Fairbanks, AK. When in reality, Eco Edge did not do work at any of the aforementioned locations.

20. The cumulative loss to COPA for monies paid via EFT to DB Oilfield and Eco Edge is \$7,235,720. Of that amount, \$4,148,000 was paid to DB Oilfield and \$3,087,720 was paid to Eco Edge. Moreover, KEAYS is actively attempting to collect an additional \$62,250 for labor and \$98,430 for material. The labor was never performed, and the materials do not exist.



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21. Based on a preliminary review of bank statements, it is suspected that approximately half of all the monies sent from COPA to Eco Edge is transferred to Spectrum Consulting Services, a company owned by FORREST and was set up with the State of Alaska on April 5, 2019. Additionally, FORREST and AMANDA co-own another company with a similar name, Spectrum Consulting, which was also set up with the State of Alaska, but one day earlier on April 4, 2019.

22. The 50 percent “kickback” to FORREST and AMANDA is likely for the benefit of KEAYS acquiring access as a vendor to COPA through FORREST. The bank statements also suggest that BENEFIELD has kicked back approximately 90 percent of all the monies COPA paid DB Oilfield. The money sent from DB Oilfield also went to Spectrum Consulting Services’ bank account.

23. Through the summer of 2019, FORREST and AMANDA purchased 17 houses in Las Vegas, NV. The purchases were drawn on the Spectrum Consulting Services account, but the ownership of the houses was under Wright Capital Investments, LLC, a company set up in Nevada on July 23, 2019 by FORREST and AMANDA.

PROBABLE CAUSE

DB OILFIELD SUPPORT SERVICES

24. BENEFIELD is AMANDA’S father and FORREST’s father-in-law.
25. BENEFIELD is the sole owner of DB Oilfield.
26. BENEFIELD organized DB Oilfield in Alaska on April 23, 2019 but is domiciled in Oklahoma. DB Oilfield’s North American Industry Classification System


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(NAICS) code since inception with the State of Alaska Department of Commerce Community and Economic Development, was 521990 – All Other Professional, Scientific, and Technical Services. The NAICS Code is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the American economy.

27. On April 26, 2019, FORREST worked with BENEFIELD through COPA employee George Wilcox to get DB Oilfield set up as a vendor for COPA. This included Wilcox sending BENEFIELD a blank W9 and Electronic Funds Transfer enrollment form.

PIPE RACK SYSTEMS

28. Even before DB Oilfield became a vendor on the books for COPA and the same day DB Oilfield was organized in Alaska, FORREST attempted to lay the groundwork for COPA to purchase pipe rack systems with Shon Robinson, Manager Drilling and Wells and James Meyer, Supervisor Alaska Growth Business. The initial e-mail sent by FORREST to both Robinson and Meyer was lengthy, but necessary to understand in its totality:

My apologies for coming directly to you, as you know I don't normally do this however this affects all of D&W and feel you're the only person that can give the okay to my proposal.

The issue is this:

We barely made it across the ice road this year with all our equipment ordered (SC and I are working with the RR & trucking companies to help for a better crossing next year). As you know with the ERD rig coming to Alpine this next year in addition to our normal resupply and of course all the other operators OCTG coming in at the same time it is becoming more difficult for us (COP) to manage our OCTG in Fairbanks as it arrives off the Rail Road. We recently hired a company in Fairbanks to help us keep track of our OCTG while at the same time ensuring that we get our 2% discount from Tenaris (it is working, we are coming out



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ahead \$4-500K/yr now which I am excited to report, this is even after paying the company to help us manage the pipe). Erica made sure I captured the savings.

With all our casing and tubing arriving via RR into Fairbanks for not only D25 & D-26 there is also pipe arriving for Exploration, Kuparuk, Work-overs, CTD and of course as mentioned all the other operators. It was suggested that we could easily keep track of our OCTG if we had some specialized racks built to directly offload from the rail car to the these racks which would perfectly accommodate each trucks load as well (saving on time and more/most importantly HSE risk) I'm sure you are aware of the fatality there a few years ago, there is a concern that with (especially the larger pipe we are getting that not only inspecting it will be a challenge (-30deg weather etc) but so will transporting it. To help avoid any mishaps I had a few contractors investigate alternatives for a safer, but also more efficient way of handling our OCTG. I received a few quotes back therefore before proceeding wanted to see if I could get your blessing on getting these racks/inspection station built.

The reason I'm asking you directly is because I feel it would be wrong to order these against the warehouse, I believe Op's will have a hard time accepting this. I'd propose (since every group in D&W) will be using these racks we spread the cost over every open AFE that we currently have that way no one well or 'group' will get hit with the price tag (could be 10-15 open AFE's so no heavy impact on any one project. I believe this is the right way to approach this, my hesitation is that I do not want to upset any one particular group that works for you... May I proceed having these built and split the charges, it's a Requisition/PO nightmare with that many charge codes, but these will last for many years and truly benefit us for a safer and more efficient operation. If we proceed with this, I will make it absolutely 100% clear to the RR that these racks are to be used for COP only (they will be well marked, painted and welded COP).

I cc'd Mr. James Meyer in case he has any suggestions for charging it out as well.

Please let me know what you think. Thanks again, Forrest

29. Shortly thereafter, Meyer responded to FORREST and copied Robinson:

My 2 cents – from an operational standpoint, I can see where there would likely be benefit. **From a financial standpoint – we can't afford to pay for it this year.** If it makes operational sense, we could include it into the budget for next year. If so, we should write an AFE for it and make the racks a standalone asset (not distribute the cost to the individual

wells). If we include in the budget, the racks could be ordered this year, **but we need to make sure (very sure) we do not receive or pay for them this year.** (Emphasis Added)

30. FORREST retorted in an e-mail to Meyer and Robinson:

Thanks James, as always, your two cents are always appreciated! We would need to order now to have them built in time for next years ice road. I would have it written into the PO that they (the bid winner) is not to invoice until Jan 1st of 2020, I'll even personally follow up to ensure they don't. I feel this is important and could really help keep us out of trouble in next year's unquestionably challenging season (from a pipe management standpoint). Mr. Shon, I've (and SC) received pricing from 4 suppliers. The most being a little over \$2M the least \$1.2M, my thought is that these are something that it would be tough to screw up (dumb iron) so go with the lowest bid (\$1.2M) if you okayed this. Do I have the okay to proceed? As mentioned, we would need to order now to have them built in time for incoming pipe next winter (it starts arriving in Jan, before even the ice road).

31. Robinson's reply to both FORREST and Meyer was simple and to the point, "That is a pretty expensive rack system. **It doesn't sound like it makes sense to save \$400k.** Again work with Erica. If you can get her onside let me know." (Emphasis Added) Robinson's reference to Erica, is Erica Livingston, Chief Engineer, Drilling and Wells – Alaska.

32. The concepts to understand from the above e-mail exchanges between FORREST, Meyer and Robinson are: 1) FORREST requested that if the pipe racks were approved, the expense could be spread out over 10 – 15 cost codes; 2) Meyer stated COPA did not have the funding available for the pipe rack system; 3) FORREST promised not to invoice the supplier (DB Oilfield) until January, 1, 2020, which ultimately was an empty promise as DB Oilfield was paid on five separate occasions between June 16, 2019 –

September 25, 2019, an amount equal to \$4,148,000; 4) FORREST claimed he received four quotes from suppliers regarding the pipe rack system. There is no evidence to support FORREST's claim he acquired quotes; and 5) Robinson believed the pipe rack system was "pretty expensive," and that it did not make sense to purchase them simply to possibly save \$400,000 per year in labor expenses. Essentially, Robinson and Meyer killed FORREST's sales pitch of the pipe racks to COPA.

33. Shortly after FORREST's e-mail exchanges with Meyer and Robinson, he reached out to BENEFIELD, in which BENEFIELD utilized dboilfieldss@gmail.com for all incoming and outgoing e-mails. The below e-mail contradicts the guidance received from his superiors, that the pipe rack systems are too expensive and not worth purchasing to save \$400,000 per year in labor charges. On April 23, 2019, FORREST sent the following e-mail to BENEFIELD:

I was informed by a couple other operators I know down south that you provide pipe racking systems specifically for the RR in the lower 48. I'd be very interested in what you have to offer for Fairbanks, Alaska. Would you be interested in submitting a quote for one in Fairbanks? Sizes and quantities attached.

34. Your affiant learned from open source Facebook posts that BENEFIELD put his Fairbanks, AK house on the market in or around October 2018. It is your affiant's belief that the comment about BENEFIELD providing "...pipe racking systems for the RR (Railroad) in the lower 48," was an attempt to codify in COPA e-mails the fictitious notion that BENEFIELD was established in the lower-48 as a provider of necessary and beneficial material to the oil and gas industry, when in reality, the earliest record available put

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BENEFIELD in Oklahoma sooner than July 2017. Additionally, it is your affiant's belief based on training and experience, both work and life related, that it would be highly unusual for FORREST to be "informed by a couple other operators I know down south" that BENEFIELD provides pipe racking systems for Railroads. Due to their familial relationship, FORREST could hear this information from BENEFIELD directly.

35. The same day, BENEFIELD, responded to FORREST with the following e-mail:

Hello Mr. Wright, Yes what you heard is correct. Our systems provide for safer offloading and more efficient transport from railcar to trucks saving time, money and of course HSE risk. Attached are our typical systems that range in all sizes. I also attached a price sheet per system (size). In order to help get into the market in Alaska I'd offer to build these in Fairbanks to save you on shipping costs so what you see on the pricing I will honor. Note our systems are built for the harshest of environments and are built to last 10 even 20 years.

36. With respect to the above e-mail reply from BENEFIELD to FORREST, in your affiant's training and experience (both professional and general) it would be unusual for any father-in-law to refer to his son-in-law in a formal manner, such as "Mr. Wright." The purpose of doing so was to create the illusion that FORREST and BENEFIELD were operating in an arms-length manner.

37. On April 23, 2019, FORREST sent BENEFIELD a clarifying e-mail regarding price. In it, FORREST understood that the total price would come out to "just under \$1.2M." FORREST went on to state the following, "I'm always excited to bring new suppliers into our market. Would you consider \$950K for the whole lot?...Thoughts?"



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38. On November 12, 2019, your affiant interviewed Linda Barnett, a COPA Financial Analyst. According to Barnett, keeping materials purchases under \$1 million was important, due to the fact FORREST had the authority to requisition and approve materials up to \$1 million. Anything above that amount would require someone other than himself to approve the acquisition.

39. During the evening of April 23, 2019, BENEFIELD responded to FORREST's request to lower the total price to \$950,000:

Mr. Wright, truthfully that would really hurt our margins but in trying to look at the big picture for our company I can make this work. Would you meet me at \$975k? It would at least help cover my folks airfare lol! Please let me know what you think, if this ends up being a go I'd like to start this project ASAP, I think we can beat a Jan deadline by a month or two.

40. As referenced above, on April 26, 2019, FORREST facilitated BENEFIELD's DB Oilfield being accepted as a COPA vendor.

41. There is evidence to suggest BENEFIELD was a ~~superficial~~ owner of DB Oilfield, and the real operator behind the scenes of the company was FORREST himself. For example, starting on April 27, 2019 through at least May 5, 2019, FORREST worked with Peter Broady, owner of The Friendly Geek, an Anchorage based small business whose apparent purpose is to help clients with computer related topics, to include the setting up of websites.

42. After several scheduling emails about organization charts etc., Broady sent FORREST the following email:



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Forrest, Attached is the PowerPoint we were working on today. Thanks again for choosing to go with me. I checked on www.dboilfieldsupportservices.com and it is available. The domain name will cost only \$10-15 per year or so (note that this is subject to change after the first two years). Hosting a basic website will probably only cost \$10-20 per month. I can help setup the domain and hosting and build the site in just a few hours, but for your security you'll want the domain and hosting accounts to belong to your father-in-law (or you). So I'm thinking the best way to go about it would be for you to setup the domain and hosting accounts (I'll give recommendations and assist if needed), then give me the login information and I'll build the site and show you how to maintain it, then you can change the password so only you and your father-in-law have access. My concern is that the site be under your control rather than a third party. Let me know what you think about this.

43. The following day, FORREST responded, in part, to Broady with the following e-mail:

...Regarding the website www.dboilfieldsupportservices.com I'd like to pursue you setting up the domain for us (if your up for it). I unfortunately don't have the time to get in to the nuts/bolts of it. I trust what-ever you can do. Heck it's will just need to be a basic 1 page website. Are you willing to run with it? If so, I can send you the basics that needs to be on the site...

44. Based on the above e-mail and the totality of the circumstances, it is your affiant's belief that FORREST requested "a basic 1 page website," because DB Oilfield was not a company in the sense that they provided anything of value to COPA. Rather the website was simply for show, in the event someone from COPA searched the internet for the existence of DB Oilfield.

45. In the midst of getting DB Oilfield registered as a vendor for COPA and pursuing the website set up through Broady, on May 1, 2019 a business checking account was opened for DB Oilfield at Alaska USA Federal Credit Union with an initial \$1,000 cash

deposit. The account, ending in 5982, would go on to receive \$4,148,000 in EFT/ACH deposits from COPA between June 16, 2019 and September 25, 2019.

46. On May 3, 2019, Broady notified FORREST via e-mail that he:

...went ahead and registered the domain www.dboilfieldsupportservices.com and purchased hosting on HostGator, a reputable and inexpensive hosting service. The annual fee for the domain is \$15 and hosting for business is \$16.95 per month. I've started doing prep work for the site, including finding some good oilfield photography and layouts. If you send me the information you want on the website, I can have a first draft for you within a week and we can go from there.

47. FORREST left it up to Broady to do "prep work for the site, including finding some good oilfield photography and layouts." In your affiant's training and experience, if DB Oilfield was a legitimate oil and gas business, Broady would not have to find "some good oilfield" photographs, as DB Oilfield would likely already possess such photographs depicting their own projects.

48. Finally, on May 5, 2019, FORREST sent an e-mail to Broady in which he laid out the fact the website was only for show:

As far as the webpage it TRULY just needs to be very basic. 1 page, no drop downs etc, just a nice oilfield picture with the company name, owner, and basic services offered with contact number. Truly that's it. **More for 'show' than practicality.**

Name of business: DB Oilfield Support Services

President: David Benefield

Office: 907-251-1217

Fax: 907-251-1218

"Specializing in custom casing, tubing, and drill pipe racks. Also support structures to compliment racks of any kind". Also providing an array of other products as well. Please feel free to contact myself or my team with any questions.



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****Something like this is literally all that's needed. Think you can have a draft version by Sunday? I'd like to have it live Monday (even if not perfect yet). **(Emphasis Added)**

49. On May 5, 2019, FORREST sent an e-mail to COPA contractor Kurt Kegler, ASRC Energy Services, in which FORREST asked Kegler to create a requisition for 22 adjustable pipe racks (4 1/2" – 2 3/8") at \$45,000 each, for a total of \$990,000. FORREST went on to tell Kegler:

We are just having finished being built by DB Oilfield Support Services Vendor #??? (will send the new number it first thing in the morning. They are expediting the set-up now) These will be left & used at the AK RR in Fairbanks and are FOB RR in Fairbanks so when they are ready sometime next week, they are good to go. I'll be sure they send the invoice. In the header please put "to help support Exploration and Alpine...**DB Oilfield Support Services has the patent on this revolutionary design.** We (D&W) shopped around, and even comparable products were higher priced, by \$300,000 plus thousand dollars. These racks are essential for our busiest ice road season in 20 plus years. Please see attached summary, justification and quote for \$45K each \$990/Total FOB Fairbanks RR. (Emphasis Added)

50. FORREST requested Kegler distribute the cost of the pipe racks across ten different wells, meaning the total cost of \$990,000 would not be borne by one specific well (or one specific charge code). This, in your affiant's belief, was a way to minimize the red flags by having several wells with their own specific cost codes incur a small expense, rather than one well incur the complete cost. If one well sustained the entire charge, it would increase the chances of someone noticing, and complaining about the expenditure.

51. On the same day, FORREST sent the same duplicative e-mail request for 22 adjustable pipe racks (4 1/2" – 2 3/8") at \$45,000 each, for a total of \$990,000, to Charles Chapman, COPA contractor working for Airswift, a COPA contractor. Again, as with Kegler, FORREST requested that Chapman break the total cost across nine (9) different cost


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codes. FORREST placed the responsibility for the distribution of the costs on “management”: “...no biggy management just wants them spread out as best possible.” And like the first e-mail, FORREST made it a point to tell Chapman, **“DB Oilfield Support Services has the patent on this revolutionary design.”**

52. Attached to both e-mails to Kegler and Chapman, was a word document promoting the pipe rack system to include its value, cost, efficiency, among other things. According to the documents’ file data, it was created by FORREST on April 29, 2019 and last edited by FORREST on May 5, 2019.

53. The most basic point of the document was to convince the reader of the necessity for COPA to purchase the pipe racks from DB Oilfield, thus ultimately reducing long term labor costs associated with paying a contractor to conduct pipe inspections. FORREST refers to “Eco Edge” throughout the document as the contractor designated to perform the pipe rack inspections (the labor). Eco Edge is Eco Edge Armoring, LLC, an Anchorage based company owned by FORREST’s friend NATHAN KEAYS. In a separate scheme to defraud, FORREST conspired with KEAYS to embezzle \$3,087,720 and attempted to embezzle another \$160,680 from COPA for fictitious material and labor costs for labor that was not performed and laborers who did not exist. One specific labor cost that KEAYS invoiced COPA and was paid for was to perform pipe inspections at the Fairbanks Railroad Yard.

54. In a November 15, 2019 interview of Michael Thomas, President and Chief Operating Officer of Tubular Solutions Alaska (TSA), it was learned that TSA had a work



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contract with COPA to perform the pipe inspections. That person, Roger Murray, had never heard of Eco Edge.

55. FORREST wrote false information in the pipe rack promotional document, to include the following statements, “I spoke with the Alaska Rail Road Manager and Eco Edge Owner, both agreed that this new system/method would: A) increase productivity/efficiency, B) Make for a safer working environment for its employees. C) Ensure all COP OCTG stays together (no mixing with other operators) D) Reduce time Eco Edge would need to be at the RR (thus saving COP money).” The Alaska Railroad Manager referred to above was Michelle Renfrew. Renfrew spoke with Rick Bjorhus, COPA Senior Drilling Supervisor North Slope Rotary Operations, and told him she spoke with FORREST about the pipe racks but told him the opposite, that they would not be a good fit at the Alaska Railroad yard.

56. With respect to cost, FORREST wrote, “The quotes I received ranged from \$2M – \$1.2M. I spoke (e-mailed) further with the lowest bidder and they agreed to lower the bid to \$990K for 22 racks (essentially because they want to get their foot in the door \$45k/rack note this is FOB Fairbanks RR).” There is no evidence to suggest FORREST received quotes from any other vendor, because this particular design was created by Brad Frazier, the Research and Design Supervisor at Northern Solutions, LLC. Frazier told Jeff Laughlin, COPA’s security director, that the pipe rack system was his concept, design, and that no units have ever been built. Frazier further advised FORREST had inquired about the pipe rack system under the guise that COPA would be interested in purchasing them. At that



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time, Frazier provided FORREST with a copy of the blue prints for the pipe rack system, and quoted FORREST \$15,000 per pipe rack.

57. In short, FORREST, under false pretenses, met with Frazier to acquire a copy of Northern Solutions' pipe rack design for the purpose of inputting the design into the above discussed promotional information and claiming that DB Oilfield – a company, in part set up by himself and his father-in-law BENEFIELD – had “the patent on this revolutionary design.” When in reality, this design was that of Frazier's at Northern Solutions, has never been built and would never be built or delivered to COPA.

58. On May 6, 2019, FORREST sent the following e-mail to Brent Overman, a COPA contractor working for ASRC Energy Services, “Can you please receipt for PO # 4521647051. Invoice attached and verified with Scott & Katrina at the Fairbanks RR that they are in fact there are ready for use. This is a small vendor so would like to make sure they get paid with-out any hick-ups. Can you please let me know when receipted?” This is an example of FORREST telling Overman to receipt for 22 pipe racks costing COPA \$990,000, and using his position as a full-time COPA employee to instruct a contractor to do something (receipt for the purchase order) without verifying himself that the material was actually at the Fairbanks Railroad, and taking FORREST's word for it that “Scott & Katrina” verified the pipe racks were there and ready for use. In reality, the pipe racks were not at the Fairbanks Rail Road yard, and Katrina had not worked at the Fairbanks Rail Road yard for a couple of years.

A handwritten signature in dark ink, appearing to be 'B. Overman', is written over a faint circular stamp.

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59. The same day, May 6, 2019, two purchase orders (4521647051 and 4521647299) were created and receipted. A third purchase order (4521653859) was created and receipted on May 8, 2019. All three purchase orders were for 22 pipe racks at \$45,000 each, or \$990,000 per purchase order, for a total liability of \$2,970,000.

60. An invoice purchase order (4521653859) was submitted to COPA on May 9, 2019. The invoices' file data indicated that it was last modified by FORREST's wife AMANDA.

61. The final two (2) invoices for purchase orders (4521647051 and 4521647299) were submitted to COPA on May 13, 2019. Again, both invoices' file data indicated that they were last modified by FORREST's wife AMANDA.

62. On June 16, 2019, two separate payments in the amounts of \$990,000 each, for a total of \$1,980,000 was deposited by EFT into the DB Oilfield AKUSA account ending in 5982.

63. A week later on June 23, 2019, a third payment in the amount of \$990,000 was deposited by EFT into the DB Oilfield AKUSA account ending in 5982.

TUBING/CASING CRIBBING

64. On May 23, 2019, FORREST sent BENEFIELD an e-mail and copied George Wilcox, in which FORREST stated: "You mentioned you could get your hands on a bunch of used (usable) low temp high grade Dril-Tech cribbing/saddles that could save us a couple maybe few hundred thousand dollars. Can you please check to see if you can support our ERD program?" According to Rick Bjorhus in his November 1, 2019 interview, ERD stood



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for Extended Reach Drilling, which is a manner in which COPA could drill for oil at deep depths and at an angle, thus reducing the oil rig's surface foot print. Bjorhus described cribbing as plastic holders for pipe to keep the pipe from touching each other during the shipping process.

65. BENEFIELD responded via e-mail shortly thereafter to FORREST with the following:

"I can absolutely get you all the cribbing at almost half the cost. Most operators throw it away, I don't think they realize you can reuse it 3-4 times before having to replace. I can get the whole 'lot' covered for right at \$462K (if you take it all). This will cover your 3 1/2", 4 1/2", 5 1/2" 9 7/8" and dunnage for the larger sizes. If you were to purchase new direct from Drill-Tech the cost would have been around \$750K. I hope this is a good enough savings to help in your cause in keeping your costs down. Please let me know if you would like me to proceed, I can have it all together including new nuts, bolts and rods in less than a week at the Fairbanks RR."

66. That evening, FORREST sent an e-mail to Dan Kouf, a COPA contractor working for ASRC Energy Services. In the e-mail to Kouf, FORREST asked him to create a PR (purchase request) to DB Oilfield for the cribbing from 4 1/2" upwards and to charge the cribbing to seven (7) different accounts. FORREST also included a short write-up for Kouf to pass onto "Bartlesville" (ConocoPhillips Company Department of Treasury) if necessary to justify the cribbing purchase from DB Oilfield, "Drill Tech provides Alaska durable high quality cribbing/wrap that we use on our tubing and liner. It's built to be used in our extremely low temperature environments and durable enough to handle our tough haul roads. **This is a steal at this price and will be saving almost \$300K.**" (Emphasis Added).



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67. According to Rick Bjorhus in his November 1, 2019 interview, the cribbing that FORREST promoted and ultimately got COPA to purchase from DB Oilfield, was at an “exorbitant” price, and from understanding what the product was, Bjorhus knew from experience COPA would never spend that much on such a product. Bjorhus further said most of the material used to separate pipe at the Alaska Rail Road were pieces of wood.

68. Likewise, during Linda Barnett’s interview on November 12, 2019, she advised she had worked with Arco then COPA since 1987, and during all of those years working in the accounting field, she had never seen cribbing purchased prior to this incident.

69. On May 27, 2019, FORREST sent Kouf another e-mail in which he told Kouf to amend the purchase order to include 3 ½” cribbing as well, but not to worry about the price because BENEFIELD told him the 3 ½” cribbing was already included in the price of \$462,000.

70. On June 3, 2019 at 12:58 PM, AMANDA sent FORREST an e-mail regarding an earnest money deposit her and FORREST may put down on the purchase of 15 houses in Las Vegas, NV. This particular interaction corresponds with the money laundering section detailed below. However, specific comments made by AMANDA to FORREST buttress the fact that the cribbing scheme was carried out to benefit herself and FORREST, and possibly BENEFIELD: “Im not comfortable with the Ernest money being the full 1M. I thought we discussed the 50K as earnest??? The contract clearly says that if the buyer defaults or doesn’t meet contract the seller is entitled to the full earnest money deposit (EMD). Which means that he would retain 1M instead of the 50K deposit. Hmmmm????” (sic)



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71. At 1:05 PM, FORREST responds to AMANDA with the following e-mail, “Yeah, that’s what I’ve been nervous about....**If we get the PO for 450K today or tomorrow, I say we go with it.** If not let’s procrastinate or if nothing else have them re-write it.” (Emphasis Added)

72. The PO (purchase order) FORREST referenced in his e-mail response to AMANDA pertained to purchase order 4521688167 for cribbing in the amount of \$462,000. This conversation explicitly shows that FORREST and AMANDA were the beneficiaries of the scheme.

73. At 5:46 PM on June 3, 2019, AMANDA finished the final modification for the invoice associated with purchase order 4521688167.

74. At 7:31 PM on June 3, 2019, BENEFIELD sent the following e-mail from his dboilfieldss@gmail.com account to FORREST, “Please see attached invoice for PO4521688167 for the casing and tubing to be used for ERD. It's all staged and ready to go at the ARR-Fairbank (Michelle verified). Let me know if you have any questions.”

75. Based on the sequence of events in which AMANDA modified the invoice, yet it was sent from her father BENEFIELD’s e-mail account, suggests that AMANDA, FORREST and her father BENEFIELD conspired to perpetuate the scheme that resulted in COPA paying DB Oilfield for material that did not exist.

76. The next day, FORREST e-mailed Kouf regarding purchase order 4521688167, and stated the following, “When you get a moment, can you please receipt for this? Invoice attached and **I spoke with Michelle as well.** All is good.” (Emphasis Added)



77. Shortly thereafter, FORREST sent BENEFIELD an e-mail, "Thanks David, appreciate the help and thinking outside the box, it saved us a good sum." It is your affiant's belief based on training and experience that FORREST's comment about saving COPA "a good sum" of money was a way for FORREST to memorialize a COPA record that DB Oilfield saved COPA money, when in fact it was the opposite, DB Oilfield through BENEFIELD, along with FORREST and his wife AMANDA, embezzled the entirety of the money and provided no material whatsoever.

78. On July 9, 2019, a payment in the amount of \$462,000 was deposited by EFT/ACH into the DB Oilfield AKUSA account ending in 5982.

PIPE RACKS FOR ERD/PIPE INSPECTION SHELTERS

79. On July 25, 2019, BENEFIELD sent the following e-mail to FORREST regarding a new scheme, "There is concern that with some of this larger diameter Pipe for ERD that it will get messed up on the boards on the ground. Since building the adjustable racks we can easily and cheaply put these together for you if you like. The cost would be \$1450/each ((heavier steel). The request was for 60. Would you like us to proceed?" FORREST responded shortly thereafter with, "David, we are going to move forward with the racks, thank you. I'd like to know a little more about the tubing/casing structures you told me about. Can you please give a P&D and brief description?"

80. BENEFIELD responded with the following:

"The structures you are referring to are used communally in Canada due to weather so makes sense for AK as well. They are \$75k/ each but the rewards surpass the initial cost. We can inspect the pipe in the coldest and worse of weather. For 8 of them which would NOT slow



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your down the cost would be 600k. But as you already know we guarantee our work 100%. These shelters shield people from the environments of the cold, wind and exhaustion. Please let me know if interested. Sept 1st we could have them all ready." (sic)

81. Almost immediately after receiving BENEFIELD's response at 6:46 PM on July 25, 2019, FORREST forwarded the information to Charles Chapman and added the following e-mail message, "I really like the idea of these not only for cost efficiency but of course safety as well. Charles, Can you please create the req of these eight. Delivery September 1st. once again free (one -off's) free text is fine. Please split the charges against the ERD wells. SSJ-They are proven to deliver with no excuses. **We need reliability and DB has proven that time/to=time again.**" (sic)(Emphasis Added)

82. On July 26, 2019, BENEFIELD sent the following e-mail to Chapman and JoAnn Fellows in which he clarifies he would be putting together 80 pipe racks rather than 60 as previously discussed, at a cost of \$1,450 each for a total of \$116,000; and providing eight (8) pipe inspection shelters at a cost of \$75,000 each for a total of \$600,000.

83. The cumulative amount for putting the pipe racks together and for providing the pipe inspection shelters came to \$716,000 and were all accounted for on purchase order 4521770759.

84. Later in the day on July 26, 2019, FORREST sent an e-mail to Fellows in which he seemingly created a sense of urgency for her to complete her job so DB Oilfield could submit an invoice and get paid, "Can you please move forward with this, this is for ERD and we can't afford delays. The rig alone is over 500K/day. As always any help appreciated!"



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85. On July 27, 2019, BENEFIELD sent an e-mail to FORREST with an embedded invoice for \$716,000, for the construction of 80 pipe racks (\$116,000) and eight (8) inspection shelters (\$600,000). Also included with the e-mail was the following note from BENEFIELD, "Forrest, All work completed. Glad to help. Please let me know if there's anything I can help with!"

86. Minutes later, FORREST forwarded BENEFIELD's e-mail to Charles Chapman and included the following message, "Scott at the RR said all is completed and ready for the winter season. Can you please have these receipted for? (I'm unable)."

87. Two days later on July 29, 2019, a purchase order (No. 4521770759) to DB Oilfield for "PIPE RACKS FOR ERD" and "PIPE INSPECTION SHELTERS" was generated.

88. Because the invoice was supposed to be submitted through Actian, an e-invoicing tool utilized by COPA, it is your affiant's belief that the invoice previously provided to FORREST on July 27, 2019 had to be resubmitted through Actian. This occurred on August 23, 2019. Records obtained from Actian confirmed that someone logged into the DB Oilfield Actian account at 3:22 PM on August 23, 2019. Actian captured the login IP Address as 206.174.46.52, which is assigned to General Communications, Inc. (GCI), an Anchorage based telecommunications company that provides cellular telephone service, internet and cable television. Moreover, the last person to modify the submitted invoice at 2:02 PM on August 23, 2019, was AMANDA. Based on the totality of the circumstances, it is your affiant's reasonable belief that BENEFIELD did not submit this



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particular invoice to Actian, for a couple of reasons, 1) BENEFIELD resides in Oklahoma and GCI does not provide direct internet or cellular services there, and 2) the invoice was modified by AMANDA approximately 80 minutes before the invoice was submitted using a GCI IP Address.

89. This invoice, in part, deals with the putting together of the pipe racks that were sold to COPA by DB Oilfield in June 2019 for a total of \$2,997,000. As previously discussed, Bjorhus spoke with Michelle Renfrew, the Alaska Railroad manager, who specifically said she declined having the pipe racks at the Alaska Railroad yard. Bjorhus codified his discussion with Renfrew in an October 9, 2019 e-mail to Jeff Laughlin, COPA Security:

It was brought to my attention that we had purchased a large amount of pipe racks from DB Oilfield services and they were in use at the Fairbanks Alaska Railroad yard. **I inquired with Michelle Renfrew about the location of the pipe racks and she stated she had told Forrest that those pipe racks would not work for them and then she never heard anything back.** There is an email stating in SAP to Brent Overman to receipt for the racks from Forrest and that Scott and Katrina at the Fairbanks RR had confirmed they were there and ready for use. Michelle confirmed that Katrina has not worked for the RR for a couple of years now and that the racks are not there. (Emphasis Added)

90. With respect to the inspection shelter portion of the invoice, Bjorhus conveyed to your affiant in a November 1, 2019 interview that he did not know what an inspection shelter was because they do not exist. Bjorhus understood the concept, that an inspection shelter could cover pipe to protect it from the elements. Bjorhus decidedly stated, "we don't do that in Fairbanks." In Bjorhus's experience over the last 20-years, inspection shelters do not exist and are not feasible.



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MONEY LAUNDERING

91. On June 16, 2019, BENEFIELD received two (2) EFT/ACH deposits from COPA into his DB Oilfield's AKUSA account ending in 5982. The deposits, as discussed above pertained to non-existent pipe racks, and totaled \$1,980,000.

92. On June 17, 2019, a check (#46) was drawn on BENEFIELD's DB Oilfield AKUSA account ending in 5982 in the amount of \$891,000.

93. On June 17, 2019, a check in the amount of \$891,000 was deposited into Spectrum Consulting Services's (SCS) AKUSA account ending in 0183. SCS was FORREST and AMANDA's consulting company.

94. On June 19, 2019, a check (#47) was drawn on BENEFIELD's DB Oilfield AKUSA account ending in 5982 in the amount of \$891,000. Also on June 19, 2019, a check (#1117) was drawn on KEAYS's Eco Edge AKUSA account ending in 7951 in the amount of \$20,625. The combined checks from DB Oilfield and Eco Edge amounted to \$911,625.

95. On June 19, 2019, checks amounting to \$911,625 were deposited into FORREST and AMANDA's SCS AKUSA account ending in 0183.

96. On June 23, 2019, BENEFIELD received a third EFT/ACH deposit in the amount of \$990,000 from COPA into his DB Oilfield AKUSA account ending in 5982. The deposit, also pertained to non-existent pipe racks.

97. On June 25, 2019, a check (#48) was drawn on BENEFIELD's DB Oilfield AKUSA account ending in 5982 in the amount of \$891,000.



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98. On June 25, 2019 a check in the amount of \$891,000 was deposited into FORREST and AMANDA's SCS AKUSA account ending in 0183.

99. On July 9, 2019 BENEFIELD received an EFT/ACH deposit in the amount of \$462,000 from COPA into his DB Oilfield's AKUSA account ending in 5982. The deposit, as discussed above pertained to non-existent cribbing.

100. On July 9, 2019, a check (#49) was drawn on BENEFIELD's DB Oilfield AKUSA account ending in 5982 in the amount of \$415,800.

101. On July 9, 2019, checks amounting to \$538,625.50 were deposited into FORREST and AMANDA's SCS AKUSA account ending in 0183.

102. On July 23, 2019, FORREST and AMANDA organized Wright Capital Investments, LLC in Nevada.

103. On August 12, 2019, FORREST and AMANDA utilized their SCS AKUSA account ending in 0183 to wire \$2,893,341.97. This wire was presumably sent to Fidelity National Title Agency of Nevada, Inc., to complete the purchase of "15 separate residential properties," in Las Vegas, NV. On November 24, 2019 your affiant searched the Clark County Assessor's website by inputting "Wright Capital Investments, LLC" and learned that Wright Capital Investments, LLC owns the following properties:

- a. 6233 Espinosa Avenue, Las Vegas, NV
- b. 5908 W. Bartlett Avenue, Las Vegas, NV
- c. 1524 Saylor Way, Las Vegas, NV
- d. 1400 Saylor Way, Las Vegas, NV



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- e. 5824 Iris Avenue, Las Vegas, NV
- f. 5821 Halifax Avenue, Las Vegas, NV
- g. 716 Vincent Way, Las Vegas, NV
- h. 609 Cline Street, Las Vegas, NV
- i. 501 Slayton Drive, Las Vegas, NV
- j. 4609 Sawyer Avenue, Las Vegas, NV
- k. 721 Fairway Drive, Las Vegas, NV
- l. 1826 Green Acres Avenue, Las Vegas, NV
- m. 5201 Mountain View Drive, Las Vegas, NV
- n. 3973 Arrowood Drive, Spring Valley, NV

104. On August 12, 2019 FORREST and AMANDA utilized their SCS AKUSA account ending in 0183 to wire \$212,512.01. This wire was presumably sent to Fidelity National Title Agency of Nevada, Inc., to complete the purchase of “3602 Gold Sluice Avenue, North Las Vegas, NV.” On November 24, 2019, your affiant reviewed the Clark County Assessor’s website and learned that Wright Capital Investments, LLC owns 3602 Gold Sluice Avenue, North Las Vegas, NV.

105. On August 12, 2019 FORREST and AMANDA utilized their SCS AKUSA account ending in 0183 to wire \$111,066.76. This wire was presumably sent to Fidelity National Title Agency of Nevada, Inc., to complete the purchase of “2149 Sleepy Court, Las Vegas, NV.” On November 24, 2019, your affiant reviewed the Clark County Assessor’s website and learned that Wright Capital Investments, LLC owns 2149 Sleepy Court, Las Vegas, NV.



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106. On September 25, 2019 BENEFIELD received an EFT/ACH deposit in the amount of \$716,000 from COPA into his DB Oilfield's AKUSA account ending in 5982. The deposit, as discussed above pertained to non-existent inspection shelters and the construction of the non-existent pipe racks.

107. On September 27, 2019, a check (#52) was drawn on BENEFIELD's DB Oilfield AKUSA account ending in 5982 in the amount of \$644,400.

108. On September 27, 2019, a check in the amount of \$644,400 was deposited into FORREST and AMANDA's SCS AKUSA account ending in 0183.

ECO EDGE ARMORING, LLC

109. KEAYS is the sole owner of Eco Edge.

110. Eco Edge is a Limited Liability Company organized and domiciled in Anchorage, Alaska. Eco Edge was organized by KEAYS and Duane Keays on May 20, 2015. As of November 20, 2019, KEAYS was the sole owner of Eco Edge. Eco Edge's listed physical address is 2055 E. 79th St., Unit 106, Anchorage, AK 99507, which is a storage facility known as Garage Town USA.

111. Eco Edge's North American Industry Classification System (NAICS) code from inception to the most recent filing with the State of Alaska Department of Commerce Community and Economic Development on November 8, 2018, was 238310 – Drywall and Insulation Contractors. The NAICS Code is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the American economy.

A handwritten signature in dark ink, appearing to be 'M' followed by a stylized flourish.

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112. On February 26, 2019, FORREST completed the new vendor set-up for Eco Edge. This formal process authorized Eco Edge to provide material and labor to COPA. FORREST described Eco Edge's value to COPA by stating Eco Edge could provide "Trial Rig Mats." FORREST justified Eco Edge as a vendor for COPA this way, "No other vendors have this type of mat. Eco Edge has the only provisional patent for this mat." This justification, as shown below, was documented within a new vendor setup form that was ultimately viewed and approved by FORREST's management:



12/11/19



12/11/19

ConocoPhillips Alaska, Inc.
Internal Vendor Master Data Request Form
NEW VENDOR SET-UP APPROVAL

For completion by the ConocoPhillips Alaska employee requesting vendor set-up

- Does the proposed spend meet Corporate OneCard guidelines? If so, an invoice should not be issued, and a new vendor master record is not needed.
- Can the need be met with an existing supplier and/or contract? (Contact your local Supply Chain representative if uncertain.)
- If the need cannot be met with existing supplier, have proper approvals been obtained and are preferred payment methods and terms being utilized?
 - Terms should not be less than N30 unless a contract is in place.
 - The preferred payment is EFT or ACH, not wire transfers or checks.

This Request is For ☒ Re-Occurring Purchases ☐ One Time Purchase

Date Required 2/26/19 **Estimated Annual Spend** 20,000 to 1,000,000



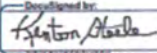
Vendor Name Eco Edge Armoring
Subsidiary/Division of (if applicable)

Full Address Address 800 E. Dimond Blvd Ste 193-464
City/Town Anchorage State/Province AK Country Zip 99515

Name of Vendor Contact Nathan Keays

Brief Description of Goods/Services Supplied by Vendor Trial Rig Mats

Justification for Adding Vendor No other vendors have this type of mat. Eco Edge also has the only provisional patent for this mat.

Approval Step	Name	Approved	Signature	Date
Step 1 - Requested By	Forrest Wright	N/A	N/A	
Step 1a - Supervisor Approval (Requestor's Supervisor)		<input type="checkbox"/> Yes <input type="checkbox"/> No	Decoded by: 	2/26/2019
Step 2 - Scan & Email To	Sandy Kusano (ATO-1020A) Sandra.K.Kusano@conocophillips.com Sandy will print out form and take around to obtain signatures below			
Step 3 - Reviewed With (AK Supply Chain - Buyer, Proc. Coordinator, Contracts Spec.)		<input type="checkbox"/> Yes <input type="checkbox"/> No	Decoded by: 	2/26/2019
Step 4 HSE Approval Significant or High Risk <input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No		
Step 5 Supply Chain Approval (Supply Chain Supervisor)	Kenton Steele	<input type="checkbox"/> Yes <input type="checkbox"/> No	Decoded by: 	2/26/2019

PLEASE USE AUTO FILL FIELDS (Except Signature Section)

*Sandy Kusano will scan & email the completed approval request form back to the requestor.
(The requestor must include this form with the vendor request submitted to Jennifer Boyd for vendor processing)*

Requestor Information:

Date Completed: 2/26/2019 **Name:** Forrest Wright **User ID:**

Notes:
Please create new vendor. YA 0103.

<http://alaska.conocophillips.net/EN/Finance/Controllers/Pages/Forms.aspx> Version1_111512



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113. On November 20, 2019, your affiant accessed the United States Patent and Trade Office's search function using the following two search terms: "Eco Edge Armoring" and "Trial Rig Mat." Both terms returned the following result, "No patents have matched your query."

114. On February 26, 2019, Eco Edge's approval as a vendor was routed through three additional COPA employees.

115. The same day, KEAYS submitted an EFT authorization agreement to COPA. KEAYS listed Alaska USA Federal Credit Union account ending in 7951 (hereinafter "AKUSA account ending in 7951") as the business checking account he wanted all COPA EFT's to be delivered into.

116. The EFT authorization agreement was signed by KEAYS and listed KEAYS as the authorized name and owner of Eco Edge. KEAYS listed his e-mail address as: Nathan@ecoedgearmoring.com.

117. On March 6, 2019, KEAYS provided COPA with a signed and dated Internal Revenue Service Form W-9.

118. On March 5, 2019, KEAYS digitally signed a COPA Contract Strategy and Execution Approval document (hereinafter "the contract"). The contract was a single source contract worth up to \$1 million over five years to provide "inspection of OCTG for the drilling group." FORREST was COPA's technical owner of the contract, and provided the following sole source justification for COPA to award the work to Eco Edge without having to request bids from other companies, "Eco Edge Armoring (EEA), has the experience to do the job. They specialize primarily in Project Management and inspections specifically casing & tubing. There are a limited number of suppliers in the area with the experience and capacity to perform the work..." See below:



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Contract Strategy and Execution Approval

Alaska Inc.

Contract Title: MGA Inspection Services Supplier Legal Entity Name: Echo Edge Armoring LLC Supplier SAP ID (if available): Business Originator: Chip Aford Technical Owner: Forrest Wright Supply Chain Contract Professional: Denny Dobson Geographic Scope: Alaska Region		Drilling Rig Contract: <input type="checkbox"/> Subsidiary/Perpetual Software Contract: <input type="checkbox"/>	Base Contract gCMS #: 222677 Amendment: Amd # Choose an item. gCMS#																																																				
Contracting Activities: New Agreement: <input checked="" type="checkbox"/> MSA <input type="checkbox"/> LMPA <input type="checkbox"/> LSCBOLA (ePay/Auto PO) <input type="checkbox"/> LSCB <input type="checkbox"/> LUBER <input type="checkbox"/> Significant Amendment/Changes (SC concurrence, Finance and Clause Owner or its delegate Approval are required) <input type="checkbox"/> Non-significant Amendment/Changes to existing agreement <input type="checkbox"/> Change to Scope <input type="checkbox"/> Term Extension <input type="checkbox"/> Change to Compensation <input type="checkbox"/> Administrative (no approvals required) <input type="checkbox"/> Exercise Option to Extend Term		Award Criteria: <input type="checkbox"/> Competitive Bid/RFP <input type="checkbox"/> Single/sole source <input type="checkbox"/> Re-negotiation <input type="checkbox"/> Approved Procurement Plan as Applicable (Attach Plan)																																																					
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr style="background-color: #ffff00;"> <th style="text-align: left;">Wt % (input format: 0.00)</th> <th style="text-align: right;">Estimated Value \$</th> <th style="text-align: right;">Gross Aggregate Amendment Value \$ (AAV)</th> <th style="text-align: right;">Total Contract Value (GEV + AAV)</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">95.00%</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Base Contract Value (GEV)</td> <td style="text-align: right;">1,000,000</td> <td></td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td>Amd #1 Current Amendment Value (CAV)</td> <td></td> <td style="text-align: right;">0</td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td>Amd #2 Current Amendment Value (CAV)</td> <td></td> <td style="text-align: right;">0</td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td>Amd #3 Current Amendment Value (CAV)</td> <td></td> <td style="text-align: right;">0</td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td>Amd #4 Current Amendment Value (CAV)</td> <td></td> <td style="text-align: right;">0</td> <td style="text-align: right;">1,000,000</td> </tr> <tr style="background-color: #ffff00;"> <td colspan="4">Net</td> </tr> <tr> <td>Base Contract Value (GEV)</td> <td style="text-align: right;">950,000</td> <td></td> <td style="text-align: right;">950,000</td> </tr> <tr> <td>Amd #1 Current Amendment Value (CAV)</td> <td></td> <td style="text-align: right;">0</td> <td style="text-align: right;">950,000</td> </tr> <tr> <td>Amd #2 Current Amendment Value (CAV)</td> <td></td> <td style="text-align: right;">0</td> <td style="text-align: right;">950,000</td> </tr> <tr> <td>Amd #3 Current Amendment Value (CAV)</td> <td></td> <td style="text-align: right;">0</td> <td style="text-align: right;">950,000</td> </tr> <tr> <td>Amd #4 Current Amendment Value (CAV)</td> <td></td> <td style="text-align: right;">0</td> <td style="text-align: right;">950,000</td> </tr> </tbody> </table>				Wt % (input format: 0.00)	Estimated Value \$	Gross Aggregate Amendment Value \$ (AAV)	Total Contract Value (GEV + AAV)	95.00%				Base Contract Value (GEV)	1,000,000		1,000,000	Amd #1 Current Amendment Value (CAV)		0	1,000,000	Amd #2 Current Amendment Value (CAV)		0	1,000,000	Amd #3 Current Amendment Value (CAV)		0	1,000,000	Amd #4 Current Amendment Value (CAV)		0	1,000,000	Net				Base Contract Value (GEV)	950,000		950,000	Amd #1 Current Amendment Value (CAV)		0	950,000	Amd #2 Current Amendment Value (CAV)		0	950,000	Amd #3 Current Amendment Value (CAV)		0	950,000	Amd #4 Current Amendment Value (CAV)		0	950,000
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Global Strategy Sourcing Sub Category: GWO - Oilfield Labor - All Compensation Type: Reimbursable Prior Price Start Date: 03/05/2019 Price End Date: 03/05/2024 Pricing History: (Include previous pricing in terms of pricing per unit and if this purchase is a price increase, decrease or flat) New Supplier no previous history.																																																							
Background, Evaluation and Recommendation Highlights : Echo Edge Armoring will be providing inspection of OCTG for the drilling group. They are experienced and able to accommodate the drilling schedule especially during peak times.																																																							
Single Source Justification Primary Reason/Explanation: Echo Edge Armoring (EEA), has the experience to do the job. They specialize primarily in Project Management and inspections specifically casing & tubing. There are a limited number of suppliers in the area with the experience and capacity to perform the work. Utilizing EEA will ensure adequate and consistent coverage during peak cycles.																																																							
Long Range Highlights (describe the supplier relation and strategy) Contract Management Plan Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> This contract is reimbursable, we only pay for work completed and can control the size of the scope at any time. While it's a 5 year commitment, we hold the scope level decisions, and can decrease at any time.																																																							
Estimated Contract Value for Approval		Contract Term > 5 Years <input type="checkbox"/> (See Note 6 below)																																																					
	Gross \$	Net \$	Effective Start Date: 03/05/2019 Effective End Date: 03/05/2024																																																				
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Aggregate Amendment Value(AAV):			Proposed Renewal Options:																																																				
Supply Chain Concurrence (Based on Gross Estimated Value)		Financial Approvals (Based on Net Estimated Value)																																																					

119. As referenced above, Eco Edge, since its inception has reported to the State of Alaska that it was a “Drywall and Insulation Contractor.” Moreover, KEAYS’s fulltime job is as an Anchorage Police Department K-9 Officer. Your affiant has found nothing to support FORREST’s sole source justification that Eco Edge had the “experience,” and that they “specialize in...casing and tubing.”

120. Moreover, KEAYS began viewing the contract through DocuSign at 1:29:28 PM on March 5, 2019. KEAYS signed the contract at 1:35:09 PM using IP Address: 12.17.191.99. This particular IP Address was held by Borealis Broadband, Inc., an Anchorage based Internet Service Provider. Records provided by Borealis Broadband, Inc., showed IP Address 12.17.191.99 was assigned to Kelly and NATHAN KEAYS.

121. On March 19, 2019, KEAYS registered an account with Actian. On November 14, 2019, your affiant interviewed Cindi Klose, Director of Treasury Services, ConocoPhillips Company. Klose described Actian as an e-invoicing solution that ConocoPhillips Company uses. Once an account is registered with Actian, vendors, including Eco Edge, log into the Actian tool to enter and submit their invoices. Upon submission through Actian, the invoice details are automatically populated in the ConocoPhillips Company’s SAP system. Once all of the checks are completed in the SAP system, the invoice is paid via EFT to the vendor after approximately 30-days. The submission of invoices through the Actian tool necessarily requires vendors, and in this case Eco Edge, to access and utilize the Internet to wirelessly transmit information (invoices and supporting documentation) through Actian to ConocoPhillips Company. Using Actian and

receiving an EFT was the only available manner in which COPA vendors could receive payment.

122. Actian is headquartered in Palo Alto, California.

123. On November 20, 2019, Klose provided your affiant with all of the Eco Edge Actian tool logins for the year 2019, using ID: NathanK208120. There was a total of 20 logins ranging from March 19, 2019 through November 8, 2019. 18 of the 20 logins came from the same IP Address: 12.17.191.99. Records from Borealis Broadband, Inc., confirmed this IP Address as being the continuous IP Address for NATHAN and Kelly KEAYS from March 5, 2019 through November 15, 2019.

124. Below are three (3) examples that violated the **SUBJECT OFFENSES**, and was committed by KEAYS.

125. Through the course of the investigation, it was learned that FORREST conducted much of his fraudulent activity using his COPA e-mail address: Forrest.N.Wright@conocophillips.com. Many of FORREST's e-mails were provided to your affiant from Jeff Laughlin, COPA's security manager. Pursuant to COPA's computer warning banner visible by all COPA employees upon logging into their COPA assigned computer, FORREST's e-mails were the property of COPA, and thus were turned over to your affiant without FORREST's knowledge and with the consent of COPA.

22-INCH CASING

126. On April 12, 2019, FORREST, using his COPA e-mail sent a message to Shon Robinson, COPA's Manager, Drilling and Wells, in which FORREST told Robinson that 22-



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inch pipe was only manufactured in three (3) places in the world, all of which was outside North America. Luckily, Forrest found a vendor (Eco Edge) that just happened to have 11,000 feet of 22-inch Sumitomo pipe in Anchorage at \$85.50 per foot (as opposed to \$450 - \$500 per foot the other foreign vendors charge). FORREST went on to tell Robinson that the pipe was stored at Unique Machine, Inc. (UMI) in Anchorage. The total price for 11,000 feet was \$941,440.50.

127. The total price for the 22-inch seamless pipe was just under \$1 million. This level was important, because according to Linda Barnett, a COPA Financial Analyst, FORREST had the authority to requisition and approve materials up to \$1 million. Anything above that amount would require someone other than himself to approve the acquisition.

128. Later during the afternoon of April 12, 2019, FORREST sent an e-mail to Pat Hanley, owner of Cal IV Tubulars, in which he stated, "...I'm trying to get my hands on a pipe tally (any) to show one of our new folks. Do you have an old one I can use? Any size, weight etc works, just for learning." (sic) The next day, Hanley sent FORREST an example of a pipe tally on an Excel spreadsheet.

129. Acquiring the pipe tally from Hanley was essential for FORREST and KEAYS to later successfully submit the invoice and supporting documentation (the pipe tally) through Actian to COPA for payment via EFT. The pipe tally Hanley provided to FORREST was later submitted, with few changes, to support an Eco Edge invoice, as further described below.

130. On April 14, 2019, KEAYS sent the following e-mail to FORREST:



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Forrest, you mentioned the need for some 22" joints (retainer) for your ERD project (22", .750", API 5L GRX52, R3). It may not be ideal because I don't have certs (you mentioned your team said they don't need them as its nots for well bore stability) I did come across some that are Japanese (Sumitomo) pipe that my supplier has a liquidation pricing, been sitting on it for over 5 years. Would you be interested? New I was being quoted anywhere from \$500/ft to \$600/ft. As discussed, I can get this for you and offer it for 88.50/ft. FOB Anchorage. I have access to 15,500ft. Unlike the cribbing, if you don't need that much, I can get exactly what you need, just let me know (you don't have to tak it all). Nathan Keays

131. The above e-mail contained industry specific measurement terms. Particularly, the measurements of the pipe: 22", .750", API 5L GRX52, R3. The most important information was what KEAYS referred to was pipe that measured 22-inches in diameter, with 3/4-inch thickness. R3 was a reference to Range-3 piping. Range-3 meant the pipe was anywhere between 38-feet and 42-feet long.

132. Shortly thereafter, FORREST responded to KEAYS with the following e-mail: "Thanks for reaching out Nathan this is a very attractive price. Is the pipe at UMI? If it's the same stuff I'm thinking of I'd like to swing by and look before moving forward. Can we arrange a time to meet there? Thanks again, Forrest"

133. Your affiant knows that Unique Machines, Inc. (UMI), is a company located at 8875 King St., Anchorage, AK. UMI is a machine shop that performs unique jobs for companies operating in Alaska, such as slotted liners to provide sand control in oil industry applications and threading large piping (up to 20-inches in diameter.) UMI also has an approximate 16-acre storage yard on site.

134. On April 15, 2019, FORREST sent an e-mail to Charles Chapman, a COPA contractor working for Swift Engineering. Chapman was COPA's North Slope Drilling and



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Wells Technical Planner. FORREST told Chapman to create a purchase request for 11,011 feet of 22-inch retainer joints for the Alpine warehouse/inventory. Your affiant knows that COPA maintains a warehouse containing material necessary for oil drilling operations on the North Slope. FORREST informed Chapman that the purchase request was for Eco Edge and that all of the 22-inch joints were located at UMI, and will be held there for the time being. Attached to the e-mail to Chapman were three e-mail quotes:

- a. The first e-mail contained the quote from KEAYS in which he quoted \$88.50 per foot, as described above in paragraph 130.
- b. The second attached e-mail, dated April 14, 2019, purportedly contained a quote from Hanley from Cal IV Tubing in which Hanley wrote, "Forrest, I can get you the 11,000 ft of 22" .750 API 5L GRX52 you need for your ERD project at a very attractive price. It's Sumitomo pipe and located here in Anchorage. I'll offer it at \$225/ft. FOB Anchorage I'm sure you know but new its over \$500/ft. This is never used and still in great shape, its been sitting for 5-6 yrs. Please let me know if you have any questions. Thanks, Pat Hanley." (sic).
- c. The third attached e-mail, also dated April 14, 2019, purportedly contained a quote from Michael Thomas, President and Chief Operating Officer of Tubular Solutions Alaska (TSA), in which Thomas wrote, "Forrest, I have access to 15,500ft of Sumitomo 22" casing. Shell ordered it years ago for the offshore project they were going to do. The casing is still in great shape



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and we can get it to you for a great price. I can sell it for \$375/ft. You mentioned needing 11,000' so would be \$4,125,000 FOB Anchorage. This seems like a lot but is far less than buying new. There are only three suppliers in the world that make this size seamless on top of the 1 year plus lead time. Thanks, Michael."

135. On November 14, 2019, your affiant interviewed Hanley. Hanley reviewed the above e-mail described in paragraph 134(b). Hanley denied sending the e-mail to FORREST. Hanley hired Michael Wheeler, a System Engineer from Alaska Computer Support, LLC to scrub his server logs to verify Hanley's recollection that he did not send the e-mail. Wheeler's determination was as follows, "We were unable to locate a sent email from you pat@cal4pip.com to Forrest.N.Wright@conocophillips.com on the date of / with a date time stamp of Sunday, April 14, 2019 5:23pm in the server logs. Additional (sic) the email thread that was sent over did not contain host headers with your server address in the email path. Lastly we did notice that the forwarded email that supposedly came from you was missing your footer."

136. On November 15, 2019, your affiant interviewed Thomas. Thomas reviewed the above e-mail described in paragraph 134(c). Thomas also denied sending the e-mail to FORREST. Thomas meticulously dissected the e-mail, pointing out several problems with it that indicated he was not the author. For example, the color of his signature line was blue, and that was not the correct color associated with a newly sent e-mail. Moreover, the e-mail referenced in paragraph 134(c) contained Thomas's reply signature, which was different than



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his original sent e-mails. Thomas said he has not changed this formula for at least the past three-years. Thomas said the spacing of the e-mail was off, and there was verbiage he would never use. For example, the suspect e-mail included the total price for the pipe. Thomas said TSA was a professional organization and he would never quote product in the body of an e-mail nor would put the total cost of piping in an e-mail. Every quote TSA provides was tracked and put on an official quotation letterhead. Finally, Thomas understood why FORREST would fabricate an e-mail from him. Thomas opined FORREST did it to show COPA that he had a secondary quote to back up a purchase by a shell company (Eco Edge) at a below market rate.

137. Thomas elaborated beyond the falsified e-mail. Thomas said TSA was a wholly owned subsidiary of Sumitomo, and a sister company to UMI. Contrary to what was quoted by Eco Edge to COPA, Sumitomo does not have the ability to manufacture 22-inch seamless casing (pipe). Thomas said there were no facilities in Alaska, or even on the West Coast that had the capability to thread 22-inch casing. Thomas said 22-inch casing was useless in Alaska. Thomas had never seen 22-inch casing used in the oil industry in his whole life. Moreover, Thomas said \$88.50 per foot, as quoted by Eco Edge, was “slightly above scrap” metal. Thomas did a calculation in front of your affiant, and determined that if 22-inch seamless casing that was $\frac{3}{4}$ -inch thick existed, the cost per foot would be between \$255 - \$300 per foot.

138. On November 13, 2019, your affiant interviewed Chris Shumate, President of UMI. As referenced above, there were several instances where it was conveyed that the 22-



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inch casing was stored at UMI. Shumate advised that he has never had 22-inch casing at his storage yard. Storing 11,000 feet of 22-inch casing would be visible from space, as it would take up about six-acres of his 16-acre yard. Shumate provided your affiant with a tour of UMI. Your affiant did not see any 22-inch casing. The only pipe that was close to being that large in diameter was a couple truck loads of 20-inch casing. Shumate showed your affiant the factory portion of UMI. Shumate confirmed that the largest machine they had for threading pipe was itself 22-inches in diameter. This meant that the largest pipe that could be run through the machine was 20-inches in diameter.

139. At approximately 2:04 PM on April 15, 2019, Sonya Culver, a COPA Purchasing Analyst, approved Purchase Order (No. 4521620697) in the amount of \$974,473.50 for "JOINT,RETAINER,22"X.750",API 5L,GRX52,R3."

140. Purchase Order (No. 4521620697) was for 11,011 linear feet of 22-inch piping, as referenced above, has never existed.

141. The Purchase Order listed KEAYS as the salesperson, and instructions for KEAYS to submit any invoice via Actian (ePay) using the following internet domain name: <http://vendors.conocophillips.com>. It also referenced KEAYS's April 14, 2019 e-mail quote for pricing terms.

142. At 8:43 PM on April 16, 2019, Kurt Kegler, a COPA contractor who worked for ASRC Energy, attached a goods receipt in COPA's SAP system. The goods receipt, if done correctly, tells COPA that Kegler laid eyes on the material and verified it was on site. However, based on other schemes in which FORREST used his COPA e-mail to inform



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contractors that others have verified the existence of material, it is your affiant's belief that FORREST told Kegler that someone else had verified its existence, and Kegler entered the goods receipt without himself actually verifying the material existed. This belief is based on FORREST's pattern of behavior with respect to other schemes. Your affiant has yet to locate and view e-mails that specifically indicate FORREST told Kegler to submit the goods receipt, nor has your affiant interviewed Kegler due to the higher interest of keeping the investigation covert until after having served search warrants.

143. At 4:43 PM on April 17, 2019, KEAYS or someone from inside his residence accessed the internet, logged into the Actian tool using ID: NathanK208120 and submitted invoice #000057 in the amount of \$974,473.50. Accompanying the invoice submission through Actian was a near carbon copy of the pipe tally that FORREST had acquired from Hanley on April 12, 2019, and more fully described above in paragraphs 128 and 129.

144. Eco Edge and most vendors working for COPA are on a Net-30 payment schedule, meaning the vendor is paid approximately 30-days after the invoice is received and approved in COPA's system. On May 16, 2019, COPA sent an EFT in the amount of \$974,473.50 to Eco Edge's AKUSA account ending in 7951. On May 19, 2019, this same amount, \$974,473.50, posted to Eco Edge's AKUSA account ending in 7951.

MONEY LAUNDERING

145. As discussed above in paragraph 144, KEAYS received \$974,473.50 as an EFT from COPA on May 19, 2019 into his Eco Edge AKUSA account ending in 7951.

A handwritten signature in black ink, appearing to be 'WJ' or similar, written over a circular stamp.

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146. On May 24, 2019, KEAYS sent three (3) checks totaling \$895,036.75 to FORREST and AMANDA's Spectrum Consulting Services (SCS) account ending in 0183. The individual check numbers were: 1104 in the amount of \$160,000; 1105 in the amount of \$487,236.75; and 1106 in the amount of \$247,800.

147. On May 24, 2019, FORREST and AMANDA's SCS account ending in 0183 received the same amount, \$895,036.75, that KEAYS sent spread out over three (3) different checks.

148. On May 24, 2019, \$13,200 in cash was withdrawn from FORREST and AMANDA's SCS account ending in 0183. On June 5, 2019, another \$1,000 in cash was withdrawn.

149. On June 5, 2019, Dorothy Sweet, the Senior Commercial Escrow Officer at Fidelity National Title Agency of Nevada, Inc., sent FORREST an e-mail containing wire instructions for "15 separate residential pro, Las Vegas NV."

150. On June 7, 2019, FORREST and AMANDA utilized their SCS AKUSA account ending in 0183 to wire \$1,042,000. This wire was sent to Fidelity National Title Agency of Nevada, Inc., to begin the purchase of "15 separate residential properties," in Las Vegas, NV, as represented below an estimated settlement statement taken from FORREST's COPA e-mail:

A handwritten signature in dark ink, appearing to be a stylized 'J' or 'K' followed by a loop.

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FIDELITY NATIONAL TITLE AGENCY OF NEVADA, INC.

2450 St. Rose Parkway, Suite 150, Henderson, NV 89074

Phone: (702) 932-3150 Fax: (702) 942-8114

**Buyers/Borrowers Settlement Statement
Estimated**

Escrow No: 00091311 - 118 DS Close Date: 08/14/2019 Proration Date: 08/14/2019 Disbursement Date:

Buyer(s)/Borrower(s): Wright Capital Investments LLC, a Nevada limited liability company
1901 Colony Place
Anchorage, AK 99507Property: 15 separate residential properties
Las Vegas, NV

Brief Legal:

Description	Debit	Credit
TOTAL CONSIDERATION:		
Total Consideration	3,879,000.00	
Earnest money deposit/commission		1,042,000.00
ADDITIONAL CHARGES:		
Property Taxes - 2, 3, 4th 1/4 to Clark County Treasurer	9,244.71	
Adjustments at close to Buyer	1,500.00	
Transfer to 91380 to Fidelity National Title	1,100.00	
Transfer to 91385 to Fidelity National Title	2,110.00	
PRORATIONS AND ADJUSTMENTS:		
County Taxes from 8/14/2019 to 10/1/2019 based on the Quarterly amount of \$3,387.70	1,758.69	
Sewer CCWR, from 8/14/2019 to 10/1/2019 based on the Quarterly amount of \$118.58	61.93	
CLV e,f,i,m from 8/14/2019 to 11/1/2019 based on the Quarterly amount of \$262.28	224.40	
CLV b,h,k from 8/14/2019 to 9/1/2019 based on the Quarterly amount of \$198.31	37.46	
CLV c,d,j,l from 8/14/2019 to 10/1/2019 based on the Quarterly amount of \$383.82	200.44	
Trash Arrow from 8/14/2019 to 10/1/2019 based on the Quarterly amount of \$44.76	23.37	
Trash Bartlett from 7/1/2019 to 10/1/2019 based on the Quarterly amount of \$45.87	45.87	
Trash 13 ho from 8/14/2019 to 9/1/2019 based on the Quarterly amount of \$612.02	115.60	
COMMISSIONS:		
Buyer paid commission to Sin City Realty LLC.	38,790.00	
ESCROW CHARGES:		
Escrow Fee to Fidelity National Title Agency of Nevada, Inc.	1,550.00	
TITLE CHARGES:		
Investor Rate escrow to Fidelity National Title Agency of Nevada, Inc.	(465.00)	
E Recording Fee to Simplifile	4.50	
RECORDING FEES:		
Recording Fees to Fidelity National Title Agency of Nevada, Inc.	40.00	
Sub Totals	3,935,341.97	1,042,000.00
Balance Due From Buyer /Borrower		2,893,341.97
Totals	3,935,341.97	3,935,341.97

It is agreed by the undersigned that the foregoing statement may change if a change in the escrow closing occurs or if other unforeseen contingencies arise. In the event changes in the statement become necessary, you are nevertheless authorized to close this escrow. It is understood that we will receive a final statement of account if the above totals are changed.



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151. Prior to closing on the properties, but after the initial \$1,042,000 down payment, FORREST and AMANDA set up a company in Nevada to act as the owner of the properties. That company, Wright Capital Investments, LLC, was organized by FORREST and AMANDA on July 21, 2019.

152. KEAYS continued to send ill-gotten funds related to other fraudulent schemes from his Eco Edge AKUSA account ending in 7951 to FORREST and AMANDA's SCS AKUSA account ending in 0183.

153. For example, on May 27, 2019, KEAYS received \$98,430 as an EFT from COPA into his Eco Edge AKUSA account ending in 7951.

154. On May 29, 2019, KEAYS issued a check (No. 1108) in the amount of \$49,215.

155. The same day, on May 29, 2019, a check in the same amount, \$49,215, was deposited into FORREST and AMANDA's SCS AKUSA account ending in 0183.

156. On June 2, 2019, KEAYS received three (3) EFT deposits from COPA into his Eco Edge AKUSA account ending in 7951. The deposits were in the amounts of \$37,050; \$82,500; and \$99,300, respectively, and totaled \$218,850.

157. On June 5, 2019, KEAYS sent four (4) checks totaling \$130,875 to FORREST and AMANDA's Spectrum Consulting Services (SCS) account ending in 0183. The individual check numbers were: 1109 in the amount of \$49,650; 1110 in the amount of \$41,250; 1111 in the amount of \$18,525; and 1112 in the amount of \$21,450.



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158. On June 5, 2019, FORREST and AMANDA's SCS account ending in 0183 received the same amount, \$130,875, that KEAYS sent spread out over four (4) different checks.

159. On August 12, 2019, FORREST and AMANDA utilized their SCS AKUSA account ending in 0183 to wire \$2,893,341.97. This wire was presumably sent to Fidelity National Title Agency of Nevada, Inc., to complete the purchase of the "15 separate residential properties," in Las Vegas, NV.

160. The origination of the funds in FORREST and AMDANDA's SCS AKUSA account ending in 0183 at the time the final wire was sent to complete the purchase of the houses in Las Vegas, NV, emanated from KEAYS's Eco Edge AKUSA account ending in 7951, as well as from DB Oilfield's AKUSA account ending in 5982.

FINANCIAL TRACING

161. Between April and October 2019, COPA paid \$7,235,720 in false invoices submitted as part of the scheme. Fraudulent proceeds totaling \$3,087,720 were deposited to **Eco Edge's AKUSA 7951_70**, and fraudulent proceeds totaling \$4,148,000 were deposited to **DB Oilfield's AKUSA 5982_70**. Approximately 50% of the Eco Edge proceeds and approximately 90% of the DB Oilfield proceeds were then sent to **Spectrum Consulting's AKUSA 0183_70**. KEAYS' Eco Edge retained the remaining approximately 50% of Eco Edge proceeds, further transferring funds and paying off loans and credit card debt, among other uses. BENEFIELD's DB Oilfield retained the remaining 10% of the DB Oilfield proceeds, with cash withdrawals at a casino in Oklahoma, among other uses. FORREST and



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AMANDA used the money sent to Spectrum Consulting for gaming and real estate, including multiple properties near Las Vegas, Nevada, among other uses. For the purpose of seizing and forfeiting fungible property, all proceeds from the scheme were obtained within the current year.

[Handwritten signature]

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FUNGIBLE PROPERTY SEIZURES

162. Title 18 U.S.C. § 984 - Civil forfeiture of fungible property, provides for the seizure and forfeiture of fungible property, including funds on deposit in a bank account, wherein any identical property [in this case, U.S. currency] is found in the same place or account as the property involved in the offense.

163. Between April and October 2019, **Eco Edge's AKUSA 7951_70** received 22 deposits totaling \$3,087,720 of proceeds from the false invoicing scheme. Immediately prior to the first deposit of proceeds on April 14, 2019, the account balance was \$684.22. The proceeds were electronically transmitted to the account by COPA as follows:

[Handwritten signature] 12/4/19
[Handwritten signature] 12/11/19

Date	Amount	Description	Account	Entity
4/14/2019	\$ 10,375.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
4/21/2019	16,516.50	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
5/2/2019	49,800.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
5/2/2019	49,500.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
5/16/2019	320,000.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
5/19/2019	974,473.50	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
5/20/2019	495,600.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
5/27/2019	98,430.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
6/2/2019	99,300.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
6/2/2019	82,500.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
6/2/2019	37,050.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
6/9/2019	42,900.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
6/16/2019	41,250.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
7/7/2019	124,775.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
7/7/2019	60,450.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
7/7/2019	60,450.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
8/4/2019	120,750.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
8/18/2019	58,500.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
9/2/2019	185,225.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
9/3/2019	29,250.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
10/2/2019	66,300.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
10/2/2019	64,325.00	Deposit from Conoco Phillips	AKUSA 7951_70	Eco Edge
	\$ 3,087,720.00	Total Proceeds		

164. Proceeds were then sent from **Eco Edge's AKUSA 7951_70** to Spectrum Consulting's AKUSA 0183_70 (paragraphs 167, 168), to Eco Edge's AKUSA 7951_10 (paragraph 169), to KEAYS's AKUSA 6899_70 (paragraph 170), to Bank of America for credit card and car loan payments, and to Gusto, which provides cloud-based payroll, benefits, and human resources management software. KEAYS's AKUSA 6899_70 and another joint account later received funds from Gusto. Total proceeds less identified transfers to other accounts controlled by the conspirators leaves up to 852,898.25 subject to seizure and forfeiture in **Eco Edge's AKUSA 7951_70**. Pursuant to a Federal Grand Jury

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subpoena, on November 20, 2019, Alaska USA Federal Credit Union provided a current balance for **Eco Edge's AKUSA 7951_70** of \$1,717.36.

165. Between June and September 2019, **DB Oilfield's AKUSA 5982_70** received 5 deposits totaling \$4,148,000 of traceable proceeds from the false invoicing scheme. The account was opened in or around May 2019, and immediately prior to the first deposit of proceeds on June 16, 2019, the account balance was \$697.04. The proceeds were electronically transmitted to the account by COPA as follows:

Date	Amount	Description	Account	Entity
6/16/2019	\$ 990,000.00	Deposit from Conoco Phillips	AKUSA 5982_70	DB Oilfield
6/16/2019	990,000.00	Deposit from Conoco Phillips	AKUSA 5982_70	DB Oilfield
6/23/2019	990,000.00	Deposit from Conoco Phillips	AKUSA 5982_70	DB Oilfield
7/8/2019	462,000.00	Deposit from Conoco Phillips	AKUSA 5982_70	DB Oilfield
9/24/2019	716,000.00	Deposit from Conoco Phillips	AKUSA 5982_70	DB Oilfield
	\$ 4,148,000.00	Total Proceeds		

166. Proceeds were then sent from **DB Oilfield's AKUSA 5982_70** to Spectrum Consulting's AKUSA 0183_70 (paragraphs 167, 168) and withdrawn at ATMs, including at an Oklahoma casino, among other uses. Total proceeds less identified transfers to other accounts controlled by the conspirators leaves up to \$414,800.00 subject to seizure and forfeiture in **DB Oilfield's AKUSA 5982_70**. Pursuant to a Federal Grand Jury subpoena, on November 20, 2019, Alaska USA Federal Credit Union provided a current balance for **DB Oilfield's AKUSA 5982_70** of \$405,029.77.

167. **Spectrum Consulting's AKUSA 0183_70** received \$5,323,910.25 in proceeds, including approximately 50% of the COPA payments received by Eco Edge's AKUSA 7951_70 and approximately 90% of the COPA payments sent to DB Oilfield's



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AKUSA 5982_70. The account was opened in or around April 2019, and a transfer of proceeds on April 15, 2019 was the first transaction in the account. As an example of the 50% share from Eco Edge, on April 14, 2019, Eco Edge's AKUSA 7951_70 received \$10,375 from COPA. On April 15, 2019, \$5,187.50 was debited from Eco Edge's AKUSA 7951_70, and \$5,187.50 was credited to **Spectrum Consulting's AKUSA 0183_70** via check. Through a similar process, **Spectrum Consulting's AKUSA 0183_70** continued to obtain an approximately 50% share of COPA payments to Eco Edge for a total of approximately \$1,590,710.25 in proceeds received from Eco Edge's AKUSA 7951_70. As an example of the 90% share from DB Oilfield, on June 16, 2019, DB Oilfield's AKUSA 5982_70 received \$990,000 from COPA. On June 17, 2019, \$891,000 was debited from DB Oilfield's AKUSA 5982_70 and \$891,000 was credited to **Spectrum Consulting's AKUSA 0183_70** via check. Through a similar process, **Spectrum Consulting's AKUSA 0183_70** continued to obtain an approximately 90% share of COPA payments to DB Oilfield for a total of \$3,733,200 in proceeds received from DB Oilfield's AKUSA 5982_70.

168. Proceeds were then sent from **Spectrum Consulting's AKUSA 0183_70** to AMANDA and FORREST's AKUSA 5623_70 (paragraph 171), withdrawn as cash, spent at casinos, or used to purchase real estate near Las Vegas, Nevada, among other uses. Total proceeds less identified transfers to other accounts controlled by the conspirators leaves up to \$5,253,910.25 subject to seizure and forfeiture in **Spectrum Consulting's AKUSA 0183_70**. Pursuant to a Federal Grand Jury subpoena, on November 20, 2019, Alaska USA



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Federal Credit Union provided a current balance for **Spectrum Consulting's AKUSA 0183_70** of \$518,295.84.

169. **Eco Edge's AKUSA 7951_10** received a net \$593,111.50 in proceeds from Eco Edge's AKUSA 7951_70. Immediately prior to the first transfer of proceeds on April 22, 2019, the account balance was \$0.00. Total proceeds less identified transfers to other accounts controlled by the conspirators leaves up to \$569,111.50 subject to seizure and forfeiture in **Eco Edge's AKUSA 7951_10**. Pursuant to a Federal Grand Jury subpoena, on November 20, 2019, Alaska USA Federal Credit Union provided a current balance for **Eco Edge's AKUSA 7951_10** of \$569,298.60.

170. **KEAYS's AKUSA 6899_70** received \$75,000.00 in proceeds from Eco Edge's AKUSA 7951_70. The proceeds were commingled with payroll deposits from the Municipality of Anchorage, among other credits. The account began receiving proceeds as early as a \$23,000 deposit on May 17, 2019, and on the same day KEAYS transferred \$19,833.71 to pay off the loan balance on a Jayco Jay Flight Series M recreational vehicle. After the account began receiving proceeds, KEAYS also paid over \$60,000 of Bank of America debt and transferred \$7,900 to Coinbase, a virtual currency exchanger. Total proceeds less identified transfers to other accounts controlled by the conspirators leaves up to \$75,000.00 subject to seizure and forfeiture in **KEAYS's AKUSA 6899_70**. Pursuant to a Federal Grand Jury subpoena, on November 20, 2019, Alaska USA Federal Credit Union provided a current balance for **KEAYS's AKUSA 6899_70** of \$23,690.31.



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171. **AMANDA and FORREST's AKUSA 5623_70** received \$70,000 in proceeds from Spectrum Consulting's AKUSA 0183_70. The proceeds were commingled with payroll deposits from COPA and Frontier Home Health, among other credits. The account began receiving proceeds as early as a \$5,000 deposit on April 15, 2019. After the account began receiving proceeds, cash was withdrawn, among other uses. Total proceeds less identified transfers to other accounts controlled by the conspirators leaves up to \$70,000.00 subject to seizure and forfeiture in **AMANDA and FORREST's AKUSA 5623_70**. Pursuant to a Federal Grand Jury subpoena, on November 20, 2019, Alaska USA Federal Credit Union provided a current balance for **AMANDA and FORREST's AKUSA 5623_70** of \$13,561.80.

CONCLUSIONS

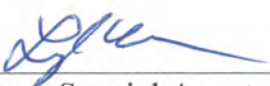
172. Your Affiant has probable cause to believe that **Alaska USA Federal Credit Union account 1977951_70** detailed above received deposits during 2019 in property traceable to fraud proceeds of violations of Title 18 U.S.C. §§ 1343 (wire fraud) (a SPECIFIED UNLAWFUL ACTIVITY as defined Title 18 U.S.C. § 1956 (a)(1)(c)(7)) and 1957 (money laundering), and subject to forfeiture to the United States under Title 18 U.S.C. § 981. Total proceeds less identified transfers to other accounts controlled by the conspirators leaves up to \$852,898.25 subject to seizure and forfeiture to the United States under Title 18, U.S.C. § 984.

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FURTHER YOUR AFFIANT SAYETH NAUGHT.

Signed: 
Tyler Vose, Special Agent

Date: 12/11/19

Subscribed and sworn to before me this 11 day of December, 2019.


U.S. MAGISTRATE JUDGE

